

Mental Disorders

Summary of Methods and Data for Estimate of Costs of Illness

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| 1. Estimated Total Economic Cost | \$160.8 billion |
| Estimated Direct Cost | \$ 66.8 billion |
| Estimated Indirect Cost | \$ 94.0 billion |
| Reference Year | 1992 |
| IC Providing the Estimates | NIMH |
| Direct Costs Include: | |
| Treatment Costs | \$63.0 billion |
| Social Welfare Administration | \$1.6 billion |
| Informal Care of Mentally Ill | \$0.8 billion |
| Crime | \$1.4 billion |
| Indirect Costs Include: | |
| Lost Productivity of Patients | \$76.7 billion |
| Premature Death | \$10.6 billion |
| Institutionalization of SPMI | \$3.8 billion |
| Incarceration of Violent SPMI | \$0.5 billion |
| Homeless SPMI | \$2.3 billion |
| Victims of Crime | \$0.1 billion |
| Interest Rate Used to Discount Out-Year Costs | 6% |
| 2. Category code(s) from the International Classification of Diseases, 9th Revision, Clinical Modification, (ICD-9 CM) for all diseases for which costs are included in these estimates: See extended list of codes for mental disorders in item 10 below. Note: a) alcohol and substance abuse and b) Alzheimer's disease and dementias are excluded. | |
| 3. Estimate Includes Costs: | |
| Of related conditions beyond the primary, strictly coded ICD-9-CM category | Yes |
| Attributable to the subject disease as a secondary diagnosis | Yes |
| Of conditions for which the subject disease is an underlying cause | No |
| 4. Population Base for Cost Estimate (total U.S. pop or other) | Total U.S. pop. |
| 5. Annual (prevalence model) or Lifetime (incidence model) Cost | Annual |
| 6. Perspective of Cost Estimate (total society, federal budget, or other) | Total Society |
| 7. Approach to Estimation of Indirect Costs | Human Capital |

8. Source of Cost Estimate: (Reference published or unpublished report, or address and telephone number of person/office responsible for estimate)

Harwood, H. et al., The Economic Cost of Mental Illness, 1992. Unpublished draft report prepared for NIMH by The Lewin Group, December 1999.

9. Other Indicators of Burden of Disease:

No other indicators available at this time.

10. Commentary:

The primary source of this cost-of-illness estimate is the latest large-scale aggregate cost-of-mental-illness study, which calculated economic burden for 1992. The economic burden of only mental disorders was estimated; costs of alcohol and drug abuse or dependence were excluded. Costs for the following classes of mental disorders were also excluded: Alzheimer's disease and other degenerative cognitive disorders and mental retardation and developmental disabilities.

Direct costs include direct treatment costs in various public and private inpatient and outpatient facilities. Hospital stay costs, prescription drug costs, home health costs, nursing home costs, and the cost of visits to physicians, psychologists and social workers are included.

The reported \$66.8 billion in direct costs includes treatment as well as other related costs. These costs were compiled from many sources including reports by the Bureau of the Census, the Department of Commerce, the Social Security Administration, the Department of Justice, and the Department of Labor. Costs related to mental disorders as a secondary diagnosis are included where the available data permitted. Costs related to alcohol and drug disorders as co-morbid conditions were excluded from these estimates.

Morbidity costs were derived separately for institutionalized and non-institutionalized populations. For the non-institutionalized population, a simulation model was used to estimate the value of reduced or lost productivity, using epidemiologic and economic data. Productivity losses for institutionalized individuals were estimated based on the average daily census of institutionalized persons, combined with estimates of average labor productivity for individuals of the same age and sex with no mental disorder.

Extended List of ICD-9-CM Codes for Mental Illness:

| <u>Diagnosis Included in the Study</u> | <u>ICD-9-CM Code</u> |
|-----------------------------------------------------------------------|----------------------|
| Schizophrenic Disorders | 295 |
| Affective Psychoses | 296 |
| Paranoid States | 297 |
| Other Nonorganic Psychoses | 298 |
| Psychoses with Origin Specific to Childhood | 299 |
| Neurotic Disorders | 300 |
| Personality Disorders | 301 |
| Sexual Deviations and Disorders | 302 |
| Special Symptoms or Syndromes, NEC | 307 |
| Acute Reaction to Stress | 308 |
| Adjustment Reaction | 309 |
| Specific Nonpsychotic Mental Disorders Due to Organic Brain Damage | 310 |
| Depressive Disorder, NEC | 311 |
| Disturbance of Conduct, NEC | 312 |
| Disturbance of Emotions Specific to Childhood and Adolescence | 313 |
| Hyperkinetic Syndrome of Childhood | 314 |

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| Sleep Disorders | 780.5 |
| Suicide (72 percent) | 950-959 |
| Homicide (10 percent) | 960-978 |
| Child Maltreatment Syndrome | 995.5 |
| Mental/Behavioral Problems | V402-409 |
| Other Family Circumstances | V61 |
| Other Psychosocial Circumstances | V62 |
| Mental Disorder Convalescence | V663 |
| Psychiatric Follow-up | V673 |
| Psychiatric Exam Criminal Justice Required | V701 |
| General Psychiatric Exam, NEC | V702 |
| Observation for Mental Conditions | V710 |

| <u>Diagnoses Excluded from the Study</u> | <u>ICD-9-CM Code</u> |
|---------------------------------------------------------------|----------------------|
| Mental Retardation and Developmental Disabilities | |
| Mild Mental Retardation | 317 |
| Other Specified Mental Retardation | 318 |
| Unspecified Mental Retardation | 319 |
| Specific Delays in Development | 315 |
| Dementia, Delirium, Senility, Amnesia, etc. | |
| Senile and Presenile Organic Psychotic Conditions | 290 |
| Transient Organic Mental Disease | 293 |
| Other Organic Psychotic Conditions (chronic) | 294 |
| Alzheimer's Disease | 331 |
| Senility without Psychosis | 797 |
| Alcohol and Drug Related Disorders | |
| Alcoholic Psychoses | 291 |
| Drug Psychoses | 292 |
| Alcohol Dependence Syndrome | 303 |
| Drug Dependence | 304 |
| Nondependent Abuse of Drugs | 305 |
| Other Mental Disorders | |
| Physiological Malfunction from Mental Factors | 306 |
| Psychic Factors Associated with Diseases Classified Elsewhere | 316 |